

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Lifeline and Link Up Reform and)	WC Docket No. 11-42
Modernization)	
)	
Federal-State Joint Board on Universal)	CC Docket No. 96-45
Service)	
)	
Lifeline and Link Up)	WC Docket No. 03-109

REPLY COMMENTS OF INCOMM

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Dated: May 10, 2011

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Interactive Communications International, Inc. (“InComm”), by its attorneys and pursuant to the Commission’s March 4, 2011 Notice of Proposed Rulemaking (“NPRM” or “*Notice*”) in this proceeding, respectfully submits these reply comments on eligibility, verification, database validation and related issues regarding elimination of waste, fraud and abuse in the Lifeline and Link Up universal service programs.¹

INTRODUCTION AND SUMMARY

As the industry leading marketer, distributor and technology innovator of stored-value gift and prepaid products, including prepaid wireless and long distance phone cards,² InComm is affected by the rapidly accelerating monetary growth of both Lifeline and Link Up and thus has a direct interest in the Commission’s laudable goal of eliminating waste, fraud and abuse in these important social programs. That in itself is one of the key elements of an appropriate strategy to transition support for low-income and economically disadvantaged telecommunications

¹ *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42 *et al.*, FCC 11-32, Notice of Proposed Rulemaking, (rel. March 4, 2011). The NPRM requested reply comments limited to Sections IV, V (Subsection A) and VII (Subsections B & D) by May 10, 2011.

² Most wholesale and retail communications services, interstate and intrastate, are provided by InComm’s subsidiary U.S. South Communications, Inc.

consumers into a modern subsidy framework that includes high-speed broadband connectivity. Many of the proposals advanced in the *Notice* should materially advance achievement of that objective.

InComm is concerned, however, that the NPRM and a number of opening comments from current Lifeline/Link Up providers appear too cautious, too time-consuming to implement and in some instances conspicuously opposed to the central reforms urgently needed for low-income universal service fund (“USF”) support. We believe that is illuminative of a real threat by some eligible telecommunications carriers (“ETCs”) to manipulate the relatively lax eligibility and verification requirements historically applied to Lifeline and Link Up into inappropriate business models for offering steeply discounted or free prepaid wireless services to the mass market. The NPRM’s proposal to authorize a national database to verify consumer eligibility, track verification and check for duplicates³ is likewise marred by an unnecessarily complex inquiry into collateral issues, such as retrieval of underlying state social service data, that need not be decided in advance as a precondition to approving creation and deployment of such a system.

Like the long-established LNP (local number portability) and toll-free (800 number) databases, among others, this industry has decades of experience with common databases, administered by FCC-approved entities, charged with centralizing access to service parameters and supporting real-time SS7 or other queries by carriers. Technology also exists today to move a Lifeline and Link Up database beyond the narrow eligibility and duplication issues proposed into what, in the long run, is likely to be a far more important universal service issue: refilling (or “topping off”) supported prepaid accounts and their transferability among qualified ETCs,

³ NPRM ¶ 207.

including at retail point-of-sale. Simply put, there is little reason to delay deployment of a USF database while subsidiary issues (such as the means of ETC notification) are worked out. The most vital functions of such a database — protecting against duplicative accounts, avoiding subsidizing different ETCs for the same households simultaneously — can easily be implemented in short order with a minimum of Commission prescriptions.

Finally, InComm agrees with the vast majority of commenters that Lifeline and Link Up need to be moved aggressively forward to address the waste, fraud and abuse issues that threaten to undermine the programs' social goals and diminish the funds available for a broadband transition. We think that, in part, issues reserved for the next round of reply comments under Section IX of the NPRM related to modernizing the program should take on a higher priority in this proceeding. One of the basic compromises made by the FCC when Lifeline and Link Up were inaugurated was that subsidy support, like that for high-cost and rural LECs, would be provided indirectly to carriers, not directly to consumers. In an era of virtually anonymous, prepaid wireless accounts, that basic model needs to be re-examined.

At a time, as is true today, in which the Internal Revenue Service provides tax refunds in partnership with private sector firms on pre-loaded financial debit cards, and when welfare programs such as food stamps, Medicare and Social Security have already moved to the similar model of Electronic Benefit Transfer ("EBT) technology, the time has come to leverage technological developments so that Lifeline and Link Up can match available funds with qualified recipients by direct payments, whose application to eligible services only can be validated in real time. Such a revision, while perhaps appearing "radical" in the context of the historical approach to these public assistance programs, is in fact a modest, targeted way to

resolve once and for all much of the waste, fraud and abuse currently affecting Lifeline and Link Up using off-the-shelf products and technologies already deployed by other federal agencies.

DISCUSSION

I. THE RECORD AND WEIGHTY PUBLIC POLICY CONSIDERATIONS SUPPORT A SINGLE LINE PER RESIDENCE LIMITATION, MANDATORY DE-ENROLLMENT OF DUPLICATIVE SUBSCRIBERS AND RESCINDING REIMBURSEMENT FOR INACTIVE CONSUMERS

Some current wireless ETCs urge the Commission to do nothing and, indeed, *enlarge* the scope of the problem by permitting more providers to participate in Lifeline and Link Up with accelerated carrier certification under an ever-increasing array of waivers.⁴ InComm respectfully suggests this is an irresponsible position that largely seeks to substitute the rhetoric of competition for real market constraints on gaming the USF system.

The basic problem with the current approach to eligibility and verification is that it relies almost entirely on self-certification by the consumer. NPRM ¶ 170.⁵ So long as an ETC has a document or record from a subscriber “confirming” that he or she qualifies under the 135% of poverty income standard, it need take no other action, including follow-up. This has created a marketplace environment in which wireless ETCs (both MVNOs and facilities-based carriers) have a financial incentive to build low-income USF reimbursement into their basic pricing structure and affirmatively overlook eligibility, duplicate accounts and many of the other waste, fraud and abuse problems with Lifeline and Link Up already documented by USAC, the Joint Board and this Commission.

⁴ E.g., Comments of Connexions LLC dba Connections Wireless at 2 (“rather than adopting prophylactic rules . . . the Commission should proceed without delay to clear the backlog of Lifeline ETC petitions pending before it, and should urge state commissions to do the same”).

⁵ See generally Comments of Verizon and Verizon Wireless at 6 (“[u]nder the current system, a Lifeline provider has no way of knowing if a beneficiary is inappropriately receiving subsidized service from another provider”).

InComm agrees that a single-line-per-residence limitation is an appropriate first step in constraining the untoward growth of Lifeline and Link Up. NPRM ¶¶ 47-55, 103-25. While we are agnostic to the obvious conflict between wireline ILEC desires for a single-provider system and wireless ETC desires for an unlimited number of participating carriers,⁶ the objective of these low-income programs was to assure that people living near the poverty line can afford telephone service. Whether that service is at a fixed geographic location or mobile, its purpose is to guaranty that there is a connection between impoverished families and the broader world of communications, electronic information and emergency assistance. The purpose is decidedly *not* to entitle every family member of a low-income household to enjoy free wireless service on an essentially free handset subsidized by the 94% of Americans who receive no such governmental benefit.

It is simply incorrect that limiting low-income support to a single line per household “would eliminate all of the well-documented benefits of mobility, including the potential for using the Lifeline service in an emergency situation outside the home.”⁷ A parent (or parents) could still “cut the cord” and subscribe to mobile services only, as an increasingly proportion of paying *and* Lifeline customers throughout America already do. That simple reality exposes the flaw in arguments that enforcing a one-per-household limitation is “an anachronism now,”⁸ because the “evolving” nature of communications services subject to section 254 of the Act was

⁶ Budget Prepay *et al.*, for instance, argue for *expanding* low-income USF eligibility and suggest in a footnote there is no financial consequence to duplicate subscriptions, noting that “the Commission cites no concrete basis for [its] conclusion” and therefore that it “seems premature to conclude there is wide-spread abuse of a rule that remains uncertain in its scope.” Comments of Budget Prepay, GreatCall and PR Wireless at 3 n.3. To the contrary, it takes no detailed statistical study to conclude from the growth of Lifeline after certification of multiple wireless ETCs, the majority of which offer prepaid plans and thus have no billing or long-term relationship with their customers, that duplicative, unused and fraudulent consumer participation have all been exacerbated by the current system.

⁷ Comments of Connexions at 6.

⁸ Comments of Budget Prepay, GreatCall and PR Wireless at ii.

never intended as a limitless source of subsidy for every member of low-income families without regard to the sustainability of such financial support. Nor is it correct that codifying the Commission's prior statements and *dicta* as a mandatory part of these USF programs would upset settled expectations in the marketplace. To the extent either carriers or low-income subscribers have become accustomed to receiving direct and indirect subsidies for multiple, simultaneous subscriptions to a variety of landline and wireless services, those expectations were misplaced and do not deserve to be honored by the government, or in the final analysis supported from the wallets all ratepayers.⁹

With respect to duplicate elimination and mandatory de-enrollment of inactive accounts, InComm largely agrees with Verizon and Verizon Wireless, which stressed not only that these are sensible proposals, but also that the future of Lifeline and Link Up depends “on ensuring that support does not extend beyond that permitted by a set of fixed and tightly controlled rules.”¹⁰ It is ironic that several states and counties are presently considering laws and ordinances that would require retail merchants to collect, verify and maintain customer identity and contact information on sales of prepaid phones and phone cards as a public security matter, but that no similar requirement has even been contemplated for documenting sales to wireless Lifeline subscribers. The response of some commenters that imposing such limitations would be too burdensome or costly to administer is not really germane; if they cannot refine their internal customer enrollment processes in a cost-effective manner, those ETCs can and should exit the programs. There has never been a dearth of providers willing to offer subsidized communications services

⁹ To their credit, some ETCs agree that prepaid wireless carriers offering subsidized, free services have little incentive to curtail duplication by eliminating inactive or unused accounts. Comments of Consumer Cellular at 13-15. The proposal for a nominal monthly payment is a valid response to this problem, one that is not inconsistent with the basic paradigm of a prepaid business model. *See id.* at 15; NPRM ¶¶ 86-89.

¹⁰ Comments of Verizon and Verizon Wireless at 8.

to low-income communities and households. The centralized efficiencies of an eligibility validation database would, once deployed, also shift the cost responsibility for verification to all participants equally, with obvious overhead efficiencies flowing from a single database administrator.¹¹

The perverse financial incentives created by the current system, which as noted below furthers an “ostrich” approach of carriers ignoring obvious inconsistencies between customer enrollment and income eligibility limitations, are huge. As one striking example, a senior InComm executive, whose annual compensation is *several orders of magnitude* higher than the 135% threshold for Lifeline, received a mailed solicitation for “free” wireless service and a “free” handset under the program from Assurance Wireless. (See Attachment A.) That is unfortunately not an uncommon experience, and since mailing lists sorted by family income levels are a staple of modern direct marketing, suggests knowing manipulation of the system or gross misfeasance by some ETCs. Likewise, other wireless carriers whose businesses include majority shares of prepaid and subsidized customers have been spending tens of millions of dollars on indiscriminate television, magazine and in-store display advertising campaigns. It is incongruous at best for a recipient of federal subsidies to invest in substantial mass market advertising on the availability of “free” services unless — as seems to be the case — the Commission’s relatively lax approach to carrier verification has allowed ETCs to build a business plan and profit center around the Lifeline and Link Up programs.

Unfortunately, the initial comments received by the Commission fall into the characteristic pattern of parochial positioning by telecommunications industry segments, with each

¹¹ *Id.* at 8-12; see Section IV below. InComm is not sufficiently familiar with the dynamics of acquiring and contacting prepaid wireless customers at the retail level to comment responsibly on whether the Commission’s proposed de-duplication process or the industry’s alternative reconsideration petition approach is more appropriate. See, e.g., GCI comments at 25-26.

participant arguing that Lifeline and Link Up should be reformed and modernized by cutting someone else's reimbursement rate or by imposing eligibility validation requirements on other parties.¹² When a governmental subsidy becomes as bloated and inefficient as these low-income programs clearly have, such self-serving positions are of little help to an agency charged with regulating all segments of the industry and pursuing the broader public interest.

II. ANNUAL THIRD-PARTY AUDITS, AND ENFORCEMENT AUDITS BY BOTH THE COMMISSION AND USAC, ARE WARRANTED NOW

The audit proposals advanced in Section IV(G) of the *Notice* appear to have generated a surprising level of non-interest, with few if any carriers voicing substantial opposition. That in itself is unremarkable because it would be unseemly, if not worse, for an ETC receiving Lifeline and Link Up subsidy funds to complain that audits are improper or unnecessary.

InComm agrees that with the growth of newly designated ETCs, there “is a need for a more rigorous audit program.” NPRM ¶ 97. We believe the Commission should go further and require an annual third-party audit — against criteria established by USAC with the Commission's guidance¹³ — of each ETC each year. *Id.* ¶ 102. Like the audits mandated annually in regulations under the Act's provision for payphone compensation,¹⁴ these should be certified by the independent, auditing CPA firm and filed with USAC for future reference and investigation, as needed.

The remedy for audit failures also needs to be made something more than a matter of USAC's discretion. NPRM ¶ 101. InComm agrees with suggestions that the Commission utilize

¹² See, e.g., Comments of Reunion Comms. at 1-3 (provider of wholesale toll limitations services to ETCs opposes proposed elimination of TLS reimbursement).

¹³ Connexions correctly notes that USAC audits of USF recipients have historically not applied clear or uniform standards. Connexions comments at 7-8. Narrowing the discretion of USAC and providing objective, auditable standards to be applied by third-party CPAs is essential if a mandatory annual audit obligation is to be imposed.

¹⁴ 47 C.F.R. § 64.1320.

a revenue threshold that would trigger remedies, one of which must be restoration to USAC (and thus to the Lifeline program as a whole) of any funds found to have been improperly received for ineligible subscribers. Whether or not sanctions or penalties ought to be reserved for carrier negligence only¹⁵ is no cause to excuse the incorrect distribution of Lifeline subsidies by permitting carriers receiving ineligible funds to reap a financial windfall.¹⁶

III. ELIGIBILITY CERTIFICATION, VERIFICATION AND DATABASE VALIDATION ARE ALL ESSENTIAL AND SHOULD BE IMPLEMENTED IMMEDIATELY BASED ON CUSTOMARY INDUSTRY DATABASE QUERY PROCESSES

The *Notice*'s proposal to authorize a national database to verify consumer eligibility, track verification and check for duplicates¹⁷ is long overdue. The Commission's tentative endorsement of such a database, however, is marred by an unnecessarily complex inquiry into collateral issues, such as retrieval of underlying state social service data, that need not be decided in advance as a precondition to approving creation and deployment of such a system.

Like the long-established LNP (local number portability) and toll-free (800 number) databases, among others, the telecommunications industry has decades of experience with common databases, administered by FCC-approved entities, charged with centralizing access to service parameters and supporting real-time SS7 or other queries by carriers. Whether the data populating a Lifeline/Link Up eligibility database should be drawn directly from state social

¹⁵ Comments of Budget Prepay, GreatCall and PR Wireless at 11-13.

¹⁶ NPRM ¶¶ 61-62. At least one party objected to the Commission's proposal to make ineligible payments a performance metric for the Lifeline and Link Up programs, commenting that "ETCs are required by law to provide service to anyone who self-certifies" and should not be "punished" by reducing overall program funding for doing so, because they "currently" have no means of verifying eligibility. GCI comments at 16-17. The NPRM, however, quite clearly envisions that prevention of duplicate and ineligible subscriptions will require a form of eligibility verification different from and more rigorous than the self-certification that has caused massive inflation in low-income USF expenditures. By requiring ETCs to validate eligibility and giving them the technological tools to do so, the Commission would therefore eliminate the principal safe harbor its rule presently provides for carrier myopia.

¹⁷ NPRM ¶ 207.

service agencies or otherwise is far less important than the key point that centralizing such functions and moving them out of today's carrier-internal validation is vitally needed. Self-certification by subscribers encourages fraud and duplication. It is all too easy for ETCs, as appears frequently to be the case, to adopt an "ostrich" approach of ignoring obvious inconsistencies between customer enrollment and the legal conditions, including income, required for receipt of federal subsidies. InComm agrees wholeheartedly that a centrally administered database system will reduce waste and improve efficiency in Lifeline enrollment, certification and validation.¹⁸

Technology also exists today to move a Lifeline and Link Up database beyond the narrow eligibility and duplication issues proposed into what, in the long run, is likely to be a far more important universal service issue: refilling (or "topping off") supported prepaid accounts and their transferability among qualified ETCs, including at retail point-of-sale. That is, by supporting a real-time "dip" of a uniform eligibility database, whether at point of sale or upon service activation, the incentive of carriers to provision individual subscribers with multiple subsidized accounts would be eliminated. Substantial financial efficiencies would be obtained by allowing ETCs to refill minutes on prepaid wireless Lifeline plans, with validated eligibility as a precondition, instead of "selling" new subsidized handsets.

Simply put, there is little reason to delay deployment of a USF database while subsidiary issues, such as the means of ETC notification, are worked out. "The only solution to the difficult problems of certification, verification and elimination of duplication is the creation of a national database." Consumer Cellular comments at 6. The most vital function of such a database — protecting against duplicative accounts, avoiding subsidies flowing to different ETCs for the

¹⁸ Comments of Verizon and Verizon Wireless at 5-6. Of course, because many ETCs are not facilities-based carriers, wholesale providers must be able to access a Lifeline/Link Up eligibility database, much as they can access the LNP and 800 databases, on behalf of their retail carrier customers.

same households simultaneously — can easily be implemented in short order with a minimum of Commission prescriptions. The Commission should also seriously consider including in the database system a parameter to validate and record topped-off Lifeline prepaid accounts, which as a financial matter may be the best, and least cost, way of eliminating improperly duplicative subscriptions.

IV. AS PART OF ITS LONGER-TERM INQUIRY, THE COMMISSION SHOULD LEVERAGE AVAILABLE TECHNOLOGY TO MOVE LIFELINE AND LINK UP TO A DIRECT PAYMENT MODEL LIKE OTHER FEDERAL SOCIAL WELFARE PROGRAMS

Some commenters have advocated a so-called “voucher” system for the Lifeline and Link Up programs,¹⁹ the central premise of which is that subsidy support should move from a carrier-based to a subscriber-based model, with payments flowing directly to low-income households. InComm respectfully submits there is no legitimate rationale at this time, more than 15 years after the 1996 Act, why such an approach should not be adopted. One reason for doing so is that, as many commenters observed, low-income consumers should be permitted to spend their USF funds on any qualifying service they desire,²⁰ just like paying customers. More broadly, though, the present system of carrier-based subsidy support payments is itself outmoded when technology exists today — and is being used by other federal agencies — to make direct transfers for federal entitlement support and other governmental public assistance payments.

One of the basic compromises made by the Commission when Lifeline and Link Up were inaugurated was that subsidy support, like that of high-cost and rural LECs, should be provided to carriers, not consumers. NPRM ¶ 16. In an era of virtually anonymous, prepaid wireless accounts, this basic model needs to be re-examined. When, as is already true today, the Internal

¹⁹ See, e.g., Comments of Verizon and Verizon Wireless at 4-5.

²⁰ New America Foundation comments at 2, 5-6 (program subscribers should have the “flexibility to apply their benefits to whatever service or package best fits their needs and means”).

Revenue Service provides tax refunds on pre-loaded financial debit cards,²¹ and public assistance programs such as food stamps, Medicaid and Social Security (the latter for new recipients only) have all moved to the similar technical model of electronic benefit transfer (“EBT”),²² the time has come to leverage technology so that Lifeline and Link Up can match available funds with qualified recipients by direct payments, whose application to eligible services only can be validated in real time, with a traceable digital record available as a means of prosecuting fraud. As the Department of Agriculture explains, the substitution of debit cards for paper vouchers as part of SNAP (Supplemental Nutrition Assistance Program) has not only reduced transaction costs, but directly assisted fraud detection and enforcement:²³

One of the most promising developments in the fight against SNAP fraud has been the use of electronic benefit transfer — EBT — to issue SNAP benefits. EBT uses a plastic card similar to a bank debit card to transfer funds from a SNAP benefits account to a retailer's account. With an EBT card, SNAP customers pay for groceries without any paper coupons changing hands. EBT eliminates paper coupons and creates an electronic record for each transaction that makes fraud easier to detect.

²¹ “During the past couple of years, the Internal Revenue Service and its partners have worked with several financial institutions and tax software providers to offer a no-cost, user friendly reloadable debit card” with which to issue tax refunds. See, e.g., Fact Sheet, *Offering Financial Products at VITA/TCE Sites*, IRS Jan. 2011, available at http://www.irs.gov/pub/irs-utl/fs-direct_debit_card_011411.pdf; *Pilot Program Urges Card-based IRS Refund*, UPI, Jan. 11, 2011, available at http://www.upi.com/Business_News/2011/01/14/Pilot-program-urges-card-based-IRS-refund/UPI-23451295036164/#ixzz1Lt4rFbNk. The IRS promoted debit card refunds, due to their speed and low-cost characteristics, in part as a way for low-income and working consumers to avoid frequently overpriced “refund anticipation” loans. Claudia Buck, *Tax-Refund Loans May Fade Away?*, McLatchy Newspapers, March 21, 2011, available at <http://www.knoxnews.com/news/2011/mar/21/tax-refund-loans-may-fade-away>.

²² Electronic debit and benefits cards first replaced paper coupons for the “food stamps” program during the Bush Administration in 2004. R. Spear, *Electronic Cards Replace Coupons For Food Stamps*, New York Times, June 23, 2004, available at <http://www.nytimes.com/2004/06/23/us/electronic-cards-replace-coupons-for-food-stamps.html>. This year, the U.S. Treasury Department no longer will issue paper checks to new enrollees for Social Security or other benefits from the federal government. “All payments to new beneficiaries will be made electronically, either through direct deposit into a bank account or to a new Direct Express Debit MasterCard that will allow recipients to access their money at an ATM or where debit cards are accepted.” Peg Quainn, *The Check Is No Longer In the Mail*, PhillyBurbs.com, April 29, 2011, available at http://www.phillyburbs.com/news/local/burlington_county_times_news/the-check-is-no-longer-in-the-mail/article_22a6b9ce-a9e5-5cb4-b2d3-2318729d189c.html.

²³ *Frequently Asked Questions, Supplemental Nutrition Assistance Program*, U.S. Department of Agriculture, Food and Nutrition Service (May 4, 2011), available at <http://www.fns.usda.gov/snap/faqs.htm#4>.

All States have now adopted EBT for SNAP issuance, and in some cases for other programs such as USDA's Special Supplemental Food Program for Women, Infants and Children (WIC), and the Temporary Assistance to Needy Families (TANF) program, the Federal block-grant program operated by the Department of Health and Human Services to provide cash assistance to needy families.

The problem of claim duplication would be eliminated, almost by definition, under a direct electronic payment system.²⁴ Were such an approach implemented with a debit-card system, using available technology for SKU-limited purchases, then the accountability of recipients and their freedom to choose the best services for their personal telecommunications needs would be maximized. Such a revision, while perhaps appearing “radical” in the context of the historical approach to these low-income support programs, is in fact a modest, targeted way to resolve waste, fraud and abuse once and for all in Lifeline and Link Up using off-the-shelf technologies already deployed in the marketplace and for other federal programs.

CONCLUSION

For all these reasons, the Commission should move promptly to implement its proposals for reducing and eliminating waste, fraud and abuse in the Lifeline and Link Up low-income support programs, including a centralized, national eligibility validation database, and should consider a fundamental shift from carrier/ETC reimbursement to direct electronic, debit card

²⁴ Comments of Verizon and Verizon Wireless at 4.

transfers to qualifying individuals and households, as already implemented by a variety of federal agencies for public assistance funding.

Respectfully submitted,

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Dated: May 10, 2011

ATTACHMENT “A”



assurance
wireless

A worry-free way to stay connected.

Don't miss this chance to apply for a **FREE** cell phone and **FREE** wireless service.

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Corryton TN



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How do you qualify?

Although eligibility varies by state,* you may qualify for Assurance Wireless based on your household income or if you participate in any of the following programs:

- Medicaid
- Food Stamps/SNAP
- Supplemental Security Income (SSI)
- Temporary Assistance for Needy Families (TANF)
- Federal Public Housing Assistance (Section 8)
- Low Income Home Energy Assistance Program (LIHEAP)
- National School Lunch Program's Free Lunch Program

It's easy to apply!

Just fill out the enclosed application and return it in the envelope provided. If you have any questions, call 1-888-898-4888 with Source Code **23204** or visit **assurancewireless.com**. After you've applied, you can check your application status by calling 1-877-636-9511 with your Account PIN (

Thank you,
Assurance Wireless

P.S. We've enclosed a second application for a Tennessee friend, who lives at a different address from yours, and may also qualify for a **FREE** cell phone and **FREE** wireless service! Give the application to a friend or family member or even to a neighbor! On the application, we've included the address where they should send the application.

Here's what you can get:

- A **FREE** Assurance Wireless phone
- **250 FREE** Voice Minutes
- The ability to keep your current phone number
- **FREE** voicemail account, call waiting, and caller ID
- 911 access
- No annual contract

Or, choose from our
\$5/mo. plan to get **500 Total Voice Minutes** or
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+ **1000 Texts****

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Apply Today For Your **FREE** Phone And **FREE** Voice Minutes.

*Available to residents of Tennessee and other states. Offer limited to eligible customers (varies by state) residing in selected geographic areas and is non-transferable. To see if Assurance Wireless is offered in your city or town, please visit assurancewireless.com or call 1-888-898-4888. Free Assurance Wireless phones are dependent on availability and models shipped could vary. Assurance Wireless is brought to you by Virgin Mobile USA and is a Lifeline Assistance program supported by the federal Universal Service Fund program. One Lifeline Assistance phone line per household. Additional Voice Minutes and text messages are 10¢ each. Domestic text prices are to send and receive. Int'l services are extra. Airtime charges apply when accessing voicemail via an Assurance Wireless phone once free minutes have been depleted. Account may expire 150 days after you receive notice of ineligibility for Assurance Wireless service and account balance may be forfeited. State and local sales taxes and fees may apply when adding funds to your account. See Terms of Service for details. Virgin Mobile USA network services are provided on the Nationwide Sprint® Network. Nationwide coverage area reaches more than 277 million people. Coverage not available everywhere. Visit virginmobileusa.com for a detailed map and to check coverage in your area. Assurance Wireless is subject to the Terms of Service found on assurancewireless.com.

**Minimum Top-Up of \$10 may be required.





Tennessee
Application

If you have questions about
this form, please call
1-888-898-4888
Please return this form
to the address shown in #4 below

TN10103104921800

START HERE

PLEASE CERTIFY YOUR ELIGIBILITY:

1. You may use either Section B **OR** Section C to qualify
2. **Remember: Sign and date the form in Section D**
3. Attach documents to support your eligibility listed in Section C
4. Mail the application to:
Assurance Wireless, P.O. Box 7600, Mattoon, IL 61938-9953
Or Fax materials to: 1-877-732-3018

A PERSONAL INFORMATION

The person below **MUST BE** the same person applying for the discount. Please do not forget to sign the application below in Section D.

Ezra S Frazier

Corryton TN

B PROGRAM-BASED ELIGIBILITY

Fill in all bubbles for all program(s) in which the person in Section A is currently enrolled. For the National School Lunch Program, a household dependent enrolled in the program satisfies the enrollment requirement.

- | | |
|--|--|
| <input type="radio"/> Medicaid | <input type="radio"/> Temporary Assistance for Needy Families (TANF) |
| <input type="radio"/> Food Stamps/SNAP | <input type="radio"/> Federal Public Housing Assistance (Section 8) |
| <input type="radio"/> Supplemental Security Income (SSI)
(Not the same as Social Security Benefits) | <input type="radio"/> Low Income Home Energy Assistance Program (LIHEAP) |
| | <input type="radio"/> National School Lunch Program's Free Lunch Program |

(No Need To Provide Program Documentation)

If you have filled in one or more bubbles, skip to **SECTION D**

- OR -

C INCOME-BASED ELIGIBILITY

Calculate **TOTAL** household income by reporting the income of all adult persons residing in your home in the appropriate category:

Household Size	Maximum Yearly Income
<input type="radio"/> 1	\$14,621
<input type="radio"/> 2	\$19,670
<input type="radio"/> 3	\$24,719
<input type="radio"/> _____	\$ _____

If you have more than 3 people in your household, write in the number and add \$5,049 for each additional person on top of \$24,719.

You must attach proof of income reported. Examples include:

- Prior year's State or Federal income tax return **OR**
 - Most recent type of current statement from the income source(s) noted below:
 - **Three consecutive months'** worth of your most current pay stubs
- Other supporting documents include: Social Security benefits statement, Veterans Administration benefits statement, Retirement/Pension benefits statement, Divorce decree or child support document or Unemployment/Workers Compensation benefits statement.

(Supporting Documentation **WILL NOT** Be Returned)

D SIGNATURE

By signing below, I certify under penalty of perjury that the information contained within this application is true and correct and that I am head of my household. I also acknowledge that providing false or fraudulent documentation in order to receive assistance is punishable by law, and the penalties of perjury include monetary fines and potential imprisonment.

I understand that the completion of this application does not constitute immediate approval for Assurance Wireless service. I authorize Assurance Wireless or its duly appointed representative to access any records (including financial records) required to verify my statements herein and to confirm my eligibility for Assurance Wireless service. I authorize social service agency representatives to discuss with, and/or provide information to, Assurance Wireless verifying my participation in public assistance programs that qualify me for Assurance Wireless service. I also authorize Assurance Wireless to release any records (including financial records) required for the administration of Assurance Wireless service.

I understand that I may be required to verify my continued eligibility for Assurance Wireless service at any time. Failure to verify eligibility will result in termination of Assurance Wireless service. In the future, if my total household income exceeds 135% of the federal poverty guidelines, or I am no longer eligible to receive benefits from at least one of the qualifying public assistance programs listed above, I will notify Assurance Wireless within five (5) days.

I understand that Lifeline Assistance is only available for one landline or wireless phone line per household. If I currently have a Lifeline Assistance plan with a different phone service provider, I will notify my current provider when I am approved for Assurance Wireless service.

X

SIGNATURE (Please use blue or black ink)

DATE

X

PRINTED NAME



TN10103104921800



Application For a Friend in Tennessee

If you have questions about
this form, please call
1-888-898-4888
Please return this form
to the address shown in #4 below

TN99999999999999

START HERE**PLEASE CERTIFY YOUR ELIGIBILITY:**

1. You may use either Section B **OR** Section C to qualify
2. **Remember: Sign and date the form in Section D**
3. Attach documents to support your eligibility listed in Section C
4. Mail the application to:
Assurance Wireless, P.O. Box 7600, Mattoon, IL 61938-9953
Or Fax materials to: 1-877-732-3018

A PERSONAL INFORMATION

The person below **MUST BE** the same person applying for the discount. Please do not forget to sign the application below in Section D.

First Name: _____ Last Name: _____ Home Telephone Number: _____
(Please Print Clearly) (Please Print Clearly) (Will Become Your Account PIN)
Street Address: _____ Apt: _____
(P.O. Boxes Cannot Be Accepted)
City: _____ State: _____ Zip Code: _____

B PROGRAM-BASED ELIGIBILITY

Fill in all bubbles for all program(s) in which the person in Section A is currently enrolled. For the National School Lunch Program, a household dependent enrolled in the program satisfies the enrollment requirement.

- | | |
|--|--|
| <input type="radio"/> Medicaid | <input type="radio"/> Temporary Assistance for Needy Families (TANF) |
| <input type="radio"/> Food Stamps/SNAP | <input type="radio"/> Federal Public Housing Assistance (Section 8) |
| <input type="radio"/> Supplemental Security Income (SSI)
(Not the same as Social Security Benefits) | <input type="radio"/> Low Income Home Energy Assistance Program (LIHEAP) |
| | <input type="radio"/> National School Lunch Program's Free Lunch Program |

(No Need To Provide Program Documentation)

If you have filled in one or more bubbles, skip to **SECTION D**

- OR -

C INCOME-BASED ELIGIBILITY

Calculate **TOTAL** household income by reporting the income of all adult persons residing in your home in the appropriate category:

Household Size	Maximum Yearly Income
<input type="radio"/> 1	\$14,621
<input type="radio"/> 2	\$19,670
<input type="radio"/> 3	\$24,719
<input type="radio"/> _____	\$ _____

If you have more than 3 people in your household, write in the number and add \$5,049 for each additional person on top of \$24,719.

You must attach proof of income reported. Examples include:

- Prior year's State or Federal income tax return **OR**
 - Most recent type of current statement from the income source(s) noted below:
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(Supporting Documentation **WILL NOT** Be Returned)**D SIGNATURE**

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SIGNATURE (Please use blue or black ink)

DATE

X

PRINTED NAME



TN99999999999999